

## Message Text

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ACTION EUR-25

INFO OCT-01 AF-10 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10

L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 ACDA-19 IO-14 AID-20 COME-00 EB-11 FRB-02

TRSE-00 XMB-07 OPIC-12 CIEP-02 LAB-06 SIL-01 OMB-01

SCEM-02 INT-08 SCI-06 DRC-01 /225 W

----- 035127

R 190800Z NOV 73

FM AMEMBASSY VALLETTA

TO SECSTATE WASHDC 4960

INFO AMEMBASSY LONDON

AMEMBASSY ROME

USMISSION NATO

AMEMBASSY TRIPOLI

C O N F I D E N T I A L VALLETTA 2256

E.O. 11652: GDS

TAGS: PFOR, ENRG, MT

SUBJ: POSSIBLE ESSO PULLOUT FROM MALTA

REF: A. STATE 224188 (NOTAL) B. LONDON 5610 (NOTAL)

C. VALLETTA 2118

1. AMBASSADOR COMMUNICATED DEPARTMENT'S VIEWS PER REF A TO LOCAL ESSO DIRECTOR HUGH NAUDI NOVEMBER 15. NAUDI EXPRESSED APPRECIATION AND SAID HE EXPECTED TO RECEIVE INSTRUCTIONS FROM LONDON THIS WEEK REGARDING APPROACH TO GOM.

2. IN REPLY TO AMBASSADOR'S QUESTION, NAUDI STATED ESSO COULD LOSE AS MUCH AS 1.5 MILLION U.S. DOLS DURING CALENDAR YEAR 1974 IF PRICE INCREASE NOT GRANTED. THIS COMPARES WITH ESSO MALTA'S CURRENT BOOK VALUE OF 500,000 DOLS. NAUDI INDICATED HE  
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OBTAINING COULD NOT OPERATED VERY LONG SUSTAINING

SUCH A LEVEL OF LOSSES SINCE COMMERCIAL CREDIT WOULD NOT BE EXTENDED BY RESPONSIBLE LOCAL BANKERS. NAUDI SAID ESSO MALTA'S LOSS FOR LAST FIVE MONTHS OF CURRENT YEAR WOULD BE MORE MODEST, SOMEWHERE IN RANGE OF 80,000 DOLS.

3. NAUDI'S SOURCES, AS WELL AS PREVIOUS CONVERSATIONS WITH PRIME MINISTER, LEAD HIM TO BELIEVE MINTOFF INTENDS AS A MINIMUM TO TAKE CONTROL OF PETROLEUM STORAGE AND RECEIVING FACILITIES, AND POSSIBLE ALSO TO ESTABLISH A NATIONAL OIL COMPANY (SEE REF C). WHEN MINTOFF DECIDES TO ACHIEVE EITHER OR BOTH OF THESE GOALS, NAUDI BELIEVES HE MAY WELCOME DEPARTURE EITHER SHELL OR ESSO FROM LOCAL MARKETING SCENE. NAUDI, AS WELL AS OTHER EMBASSY SOURCES, HAS INDICATED PM'S BROTHER RAYMOND MAY HAVE AN INTEREST IN PROPOSED NATIONAL OIL COMPANY. INDICATIONS ARE QADDAFI WOULD PROVIDE CRUDE, WHICH WOULD BE PROCESSED AT SINCAT REFINERY IN SICILY.

4. DEPENDING ON DECISION ESSO EUROPE, NAUDI IS NOT SURE WHETHER IN FIRST INSTANCE HE WILL BE ASKED APPROACH MINISTER FOR DEVELOPMENT HYSLER OR PRIME MINISTER. HYSLER IS DIRECTLY INVOLVED IN ASSURING PETROLEUM SUPPLIES. NAUDI PROMISED KEEP EMBASSY INFORMED RE DEVELOPMENTS.GETZ

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, PETROLEUM CONCESSIONS, POLITICAL SITUATION  
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**Copy:** SINGLE  
**Draft Date:** 19 NOV 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
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**Subject:** POSSIBLE ESSO PULLOUT FROM MALTA  
**TAGS:** PFOR, ENRG, MT, ESSO  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005